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United States Senate

WASHINGTON, DC 20510

October 30, 2008

The Honorable Henry M. Paulson, Jr.
Secretary of the Treasury
U.S. Department of the Treasury
1500 Pennsylvania Ave., N.W.
Washington, D.C. 20220

Dear Secretary Paulson:

Congress acted with extraordinary speed to enact the Emergency Economic Stabilization Act based on your assessment that it was urgently needed to provide liquidity in the face of a credit crisis. You testified that the crisis on Wall Street was already, or would soon be, a crisis on Main Street.

I supported the legislation because I agreed with your assessment. My conversations with people across the state of Ohio convinced me that the impact of the credit crisis would have become worse and more widespread if we did not act.

But I have become increasingly dismayed that the \$700 billion Congress authorized to get banks back in the business of lending may be put to other purposes.

I am growing increasingly concerned by the evidence that taxpayer dollars will be used, directly or indirectly, to fund bank acquisitions that will do nothing to address the credit crisis.

Approximately two dozen banks in the past few days have announced their plans to participate in the capital purchase program. Of these banks, a third has also announced that they may use their strengthened capital position to acquire other banks.

Congress did not adopt the stabilization legislation to fund a wave of bank mergers. Congress voted to inject capital into the banking system to get the credit markets working once again.

I urge you to insist that participants in the capital purchase program not use taxpayer dollars to buy healthy banks.

Sincerely,



Sherrod Brown
U.S. Senator